
State: Illinois **Filing Company:** Pharmacists Mutual Insurance Company
TOI/Sub-TOI: 11.1 Med Mal-Occurrence Only/11.1021 Pharmacy
Product Name: Individual Pharmacist Professional Liability
Project Name/Number: PHL Cpdg Rev/IL-PHL/CSP-10-13-RR

Filing at a Glance

Company: Pharmacists Mutual Insurance Company
Product Name: Individual Pharmacist Professional Liability
State: Illinois
TOI: 11.1 Med Mal-Occurrence Only
Sub-TOI: 11.1021 Pharmacy
Filing Type: Rate/Rule
Date Submitted: 06/17/2013
SERFF Tr Num: PHAR-129058877
SERFF Status: Closed-Filed
State Tr Num: PHAR-129058877
State Status:
Co Tr Num: IL-PHL/CSP-10-13-RR

Effective Date: 08/01/2013
Requested (New):
Effective Date: 10/01/2013
Requested (Renewal):
Author(s): Heidi Allen, Karleen Wittkopf, Janine MacVey, Stephanie Marlow
Reviewer(s): Gayle Neuman (primary), Neetha Mamoottile, Caryn Carmean, Julie Rachford, Kathi Frye
Disposition Date: 10/28/2013
Disposition Status: Filed
Effective Date (New): 10/01/2013
Effective Date (Renewal): 12/01/2013

State Filing Description:
ROUTED 6/25/13

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

General Information

Project Name: PHL Cpdg Rev	Status of Filing in Domicile: Authorized
Project Number: IL-PHL/CSP-10-13-RR	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 10/28/2013	
State Status Changed:	Deemer Date:
Created By: Janine MacVey	Submitted By: Stephanie Marlow
Corresponding Filing Tracking Number: PHAR-129058876	

Filing Description:

Pharmacists Mutual Insurance Company is filing a revision to our Individual Pharmacist Professional Liability Program in your state. With this revision we are expanding the Professional Liability Insurance Policy to provide two Individual Pharmacist Professional Liability Insurance Policy options, one which Includes Sterile Compounding and one which Excludes Sterile Compounding.

As a result of the introduction of these two new policies we have revised the Individual Pharmacist Professional Liability Program Manual to reflect the new rates for each of these coverages. All policyholders will be automatically renewed with the basic coverage and will have the option to upgrade to the broad coverage. The resulting effect is an overall rate decrease of - 3.30%.

We would like for these revisions to become effective for all new business on or after August 1, 2013 and for all renewal business written on or after October 1, 2013.

Company and Contact

Filing Contact Information

Janine MacVey, Rate Analyst	janine.macvey@phmic.com
PO Box 370	515-395-7207 [Phone]
Algona, IA 50511	515-295-9306 [FAX]

Filing Company Information

Pharmacists Mutual Insurance Company	CoCode: 13714	State of Domicile: Iowa
808 Highway 18 West	Group Code: 775	Company Type: Mutual
P.O. Box 370	Group Name: PMC	State ID Number:
Algona, IA 50511	FEIN Number: 42-0223390	
(800) 247-5930 ext. [Phone]		

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
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State Specific

Refer to our checklists prior to submitting filing (http://www.idfpr.com/DOI/Prop_Cas_IS3_Checklists/IS3_Checklists.htm): Yes
Refer to our updated (04/06/2007) SERFF General Instructions prior to submitting filing. They have been updated to clarify what rates and rules are required to be filed as well as what rates and rules are not required to be filed. Also, the "Product Name" is the Filing Title and not the Project Number.: Yes

NO RATES and/or RULES ARE REQUIRED TO BE FILED FOR LINES OF COVERAGE SUCH AS COMMERCIAL AUTO (except taxicabs), BURGLARY AND THEFT, GLASS, FIDELITY, SURETY, COMMERCIAL GENERAL LIABILITY, CROP HAIL, COMMERCIAL PROPERTY, DIRECTORS AND OFFICERS, ERRORS AND OMISSIONS, COMMERCIAL MULTI PERIL just to mention a few. However, a Summary Sheet (RF-3) is required to be filed. Please refer to the State Specific Field below for what rates/rules are required to be filed and to our checklists for specific statutes, regulations, etc. :

http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp .: Yes

Medical Malpractice rates/rules may now be submitted using SERFF effective January 1, 2012.: Yes

The only rates and/or rules that are required to be filed are Homeowners, Mobile Homeowners, Dwelling Fire and Allied Lines, Workers' Compensation, Liquor Liability, Private Passenger Automobiles, Taxicabs, Motorcycles and Group Inland Marine Insurance which only applies to insurance involving personal property owned by, being purchased by or pledged as collateral by individuals, and not used in any business, trade or profession per Regulation Part 2302 which says in part, "each company shall file with the Director of Insurance each rate, rule and minimum premium before it is used in the State of Illinois.": N/A

When selecting a form filing type for a multiple form filing, use the dominant type from these choices: APP - application; CER - certificate; COF - coverage form; DPS - declaration page; END - endorsement; POJ - policy jacket; ORG - Companies adopting an Advisory or Rating Organization's filing. Example: If you are submitting a policy as well as endorsements, a declaration page and an application, you would select "POL" for policy.: n/a

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Kathi Frye	10/28/2013	10/28/2013

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Gayle Neuman	06/25/2013	06/25/2013

Response Letters

Responded By	Created On	Date Submitted
Stephanie Marlow	06/25/2013	06/25/2013

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Rate	Countrywide Individual Pharmacist Professional Liability Program Manual, edition 10 13	Stephanie Marlow	06/19/2013	06/19/2013
Supporting Document	Countrywide Individual Pharmacist Professional Liability Program Manual Comparison 07 08 to 08 13	Stephanie Marlow	06/19/2013	06/19/2013

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Effective Dates	Note To Reviewer	Janine MacVey	10/23/2013	10/23/2013
EFFECTIVE DATES	Note To Filer	Kathi Frye	10/23/2013	10/23/2013
Statistical Agency	Note To Reviewer	Stephanie Marlow	07/08/2013	07/08/2013
Actuarial Review	Reviewer Note	Julie Rachford	09/18/2013	

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
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Disposition

Disposition Date: 10/28/2013
Effective Date (New): 10/01/2013
Effective Date (Renewal): 12/01/2013
Status: Filed

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Pharmacists Mutual Insurance Company	11.400%	-3.300%	\$2,418	2,369	\$31,818	12.500%	-6.700%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Explanatory Memorandum		No
Supporting Document (revised)	Form RF3 - (Summary Sheet)		Yes
Supporting Document	Form RF3 - (Summary Sheet)		Yes
Supporting Document	Certification		Yes
Supporting Document	Manual		Yes
Supporting Document	Request to Maintain Data as Trade Secret Information		Yes
Supporting Document (revised)	Countrywide Individual Pharmacist Professional Liability Program Manual Comparson 07 08 to 08 13		Yes
Supporting Document	Countrywide Individual Pharmacist Professional Liability Program Manual Comparson 07 08 to 08 13		Yes
Supporting Document	Rate/Rule Filing Memorandum & Supporting Exhibits		Yes
Supporting Document	Rate Effect Exhibit		Yes
Rate (revised)	Countrywide Individual Pharmacist Professional Liability Program Manual, edition 10 13		Yes
Rate	Countrywide Individual Pharmacist Professional Liability Program Manual, edition 10 13		Yes

State: Illinois **Filing Company:** Pharmacists Mutual Insurance Company
TOI/Sub-TOI: 11.1 Med Mal-Occurrence Only/11.1021 Pharmacy
Product Name: Individual Pharmacist Professional Liability
Project Name/Number: PHL Cpdg Rev/IL-PHL/CSP-10-13-RR

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	06/25/2013
Submitted Date	06/25/2013
Respond By Date	07/02/2013

Dear Janine MacVey,

Introduction:

This is to acknowledge receipt of your filing. Your submission is not acceptable for filing in Illinois due to the following reasons:

Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?

The RF-3 needs to include a filing description - it cannot refer to a separate document.

Conclusion:

Sign up to get e-mail notification for updates to the Department's website. <http://insurance.illinois.gov/RSS/>

Please refer to the appropriate Property Casualty IS3 Review Requirements Checklist before submitting any filing. The checklists are available at the Department's Web site or at the following link:

http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp

Please submit compliant form(s) no later than the date shown above or the entire filing may be disapproved. Please be advised that when the Director disapproves the form(s) you must immediately cease using the form(s) in Illinois.

Please give this matter your immediate attention. If you have any question regarding this filing please feel free to contact me.

Sincerely,

Gayle Neuman

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/25/2013
Submitted Date	06/25/2013

Dear Gayle Neuman,

Introduction:

Response 1

Comments:

We will not be reporting to a statistical agency. I have updated RF-3 with a brief description of this filing.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Form RF3 - (Summary Sheet)
Comments:	
Attachment(s):	RF 3.pdf
Previous Version	
Satisfied - Item:	Form RF3 - (Summary Sheet)
Comments:	
Attachment(s):	RF 3.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Stephanie Marlow

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Amendment Letter

Submitted Date: 06/19/2013

Comments:

We noticed an error in our CW Manual. We have inadvertently placed the wrong names on the forms. PM 1158 should read Excluding Sterile Compounding, rather than Including Sterile Compounding and PM 1159 should read Including Sterile Compounding, rather than Excluding Sterile Compounding. Both the CW Manual as well as the side-by-side CW Manual have been revised and attached for your review.

Thank you,

Changed Items:

No Form Schedule Items Changed.

Rate Schedule Item Changes					
Item No.	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Date Submitted
1	Countrywide Individual Pharmacist Professional Liability Program Manual, edition 10 13	All	Replacement	PHAR-125798942	06/19/2013 By:
<i>Previous Version</i>					
1	<i>Countrywide Individual Pharmacist Professional Liability Program Manual, edition 10 13</i>	<i>All</i>	<i>Replacement</i>	<i>PHAR-125798942</i>	<i>06/17/2013 By: Stephanie Marlow</i>

SERFF Tracking #:	PHAR-129058877	State Tracking #:	PHAR-129058877	Company Tracking #:	IL-PHL/CSP-10-13-RR
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State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Countrywide Individual Pharmacist Professional Liability Program Manual Comparson 07 08 to 08 13
Comments:	
Attachment(s):	PHL RATES-RULES Comparison 07-15-2008 to 08 13.pdf
Previous Version	
Satisfied - Item:	Countrywide Individual Pharmacist Professional Liability Program Manual Comparson 07 08 to 08 13
Comments:	
Attachment(s):	PHL RATES-RULES Comparison 07-15-2008 to 08 13.pdf

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Note To Reviewer

Created By:

Janine MacVey on 10/23/2013 03:20 PM

Last Edited By:

Kathi Frye

Submitted On:

10/28/2013 09:30 AM

Subject:

Effective Dates

Comments:

We would like to have the effective dates changed to 10/1/13 for New Business and 12/1/13 for Renewal Business.

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Note To Filer

Created By:

Kathi Frye on 10/23/2013 02:59 PM

Last Edited By:

Kathi Frye

Submitted On:

10/28/2013 09:30 AM

Subject:

EFFECTIVE DATES

Comments:

The Department of Insurance has now completed its review of this filing. Originally, Pharmacists Mutual Insurance Company requested the filing be effective August 1, 2013, for new business and October 1, 2013, for renewals. Was the filing put in effect on those dates? Your prompt response is appreciated.

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Note To Reviewer

Created By:

Stephanie Marlow on 07/08/2013 11:20 AM

Last Edited By:

Kathi Frye

Submitted On:

10/28/2013 09:30 AM

Subject:

Statistical Agency

Comments:

I apologize, we do report to AAIS for this line of business.

State: *Illinois* **Filing Company:** *Pharmacists Mutual Insurance Company*
TOI/Sub-TOI: *11.1 Med Mal-Occurrence Only/11.1021 Pharmacy*
Product Name: *Individual Pharmacist Professional Liability*
Project Name/Number: *PHL Cpdg Rev/IL-PHL/CSP-10-13-RR*

Reviewer Note

Created By:

Julie Rachford on 09/18/2013 11:37 AM

Last Edited By:

Kathi Frye

Submitted On:

10/28/2013 09:30 AM

Subject:

Actuarial Review

Comments:

Actuarial review is complete.

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Rate Information

Rate data applies to filing.

Filing Method:	Use & File
Rate Change Type:	Decrease
Overall Percentage of Last Rate Revision:	0.000%
Effective Date of Last Rate Revision:	01/01/2009
Filing Method of Last Filing:	File & Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Pharmacists Mutual Insurance Company	11.400%	-3.300%	\$2,418	2,369	\$31,818	12.500%	-6.700%

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Countrywide Individual Pharmacist Professional Liability Program Manual, edition 10 13	All	Replacement	PHAR-125798942	2013 PHL RATES-RULES 08 13.pdf

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY PROGRAM MANUAL
COUNTRYWIDE

I. Program Description

1.1 Policy Coverage

- a. The Individual Pharmacist Professional Liability Insurance Policy provides coverage on an excess basis for damages which an insured is legally obligated to pay because of an occurrence. The occurrence must result in bodily injury, property damage, or personal and advertising injury arising out of the rendering or failure to render pharmacy services.
- b. Limited Pharmacist's License Defense Reimbursement provides reimbursement for legal fees incurred, arising out of an insured's rendering or failure to render pharmacy services. Reimbursement is subject to the conditions as set forth in the policy and applies in excess of a \$500 deductible per incident; and
- c. Certified Cardio-Pulmonary Resuscitation (CPR) Coverage provides coverage on an excess basis for damages which an insured becomes legally obligated to pay due to bodily injury or property damage arising out of performing CPR, but only if certified to administer CPR.

1.2 Policy Forms

- a. Attach policy PM 1158, Excluding Sterile Compounding
- b. Attach policy PM 1159, Including Sterile Compounding

II. Eligibility

An Individual Pharmacist Professional Liability Insurance Policy may be issued to an individual who:

- a. holds a valid license to practice pharmacy; or
- b. is an undergraduate pharmacy student or graduate who does not hold a valid license to practice pharmacy.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY PROGRAM MANUAL
COUNTRYWIDE

III. College Student Group Billing Program

An Individual Pharmacist Professional Liability Insurance Policy may be issued under the College Student Group Billing Program providing coverage to students of an accredited school of pharmacy at a discounted group rate.

To qualify for the College Student Group Billing Program:

- a. a minimum of 35 Individual Pharmacist Professional Liability Insurance Policies must be issued to undergraduate pharmacy students within the accredited school of pharmacy; and
- b. all Individual Pharmacist Professional Liability Insurance Policies are issued with a common anniversary date; and
- c. the school agrees to:
 - 1) provide a completed enrollment form for all undergraduate pharmacy students requesting coverage; and
 - 2) remit the insurance premium for each undergraduate pharmacy student to Company upon receipt of the Group Bill.

The College Student Group Billing Program is not available to a licensed pharmacist who is attending a school of pharmacy.

IV. Term of Policy

An Individual Pharmacist Professional Liability Insurance Policy can be written for a term not to exceed one year. The Policy may be continued for successive terms by payment of the required premiums.

V. Limits of Liability

Coverage	Per Occurrence	Aggregate
Professional Liability	\$1,000,000	\$3,000,000
Limited Pharmacist's License		
Defense Reimbursement	\$ 10,000	\$ 10,000
Certified CPR	\$ 50,000	\$ 50,000

VI. Minimum Premium

The Individual Pharmacist Professional Liability Insurance Policy is subject to a minimum premium, regardless of the policy term. The minimum premium is not subject to reduction in the event of cancellation.

Individual Pharmacist Professional Liability Insurance Policy	\$ 25.00
College Student Group Billing Program	\$ 16.00

NOTE: The \$25.00 minimum premium does not apply when the policy term is changed to coordinate with the renewal date of another Pharmacists Mutual Insurance policy.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY PROGRAM MANUAL
COUNTRYWIDE

VII. Cancellation

The Individual Pharmacist Professional Liability Insurance Policy, canceled by either the insured or the company, must be canceled in accordance with the terms of the cancellation provisions that apply. The return premium, if any, is computed on a pro rata basis, subject to the minimum premium.

VIII. Rating Classifications

To be eligible for a rating classification, the applicant must meet the qualifications for the Classification.

A volunteer pharmacist working without pay does not affect the Rating Classification.

1 - Employed Pharmacist

- a. provides pharmacy services for a pharmacy operation;
- b. receives an IRS Form W-2 Wage and Tax Statement for wages earned;
- c. is not an owner or partner of a pharmacy or pharmacy-related business;
- d. works less than 10 hours per week as a self-employed pharmacist; and
- e. may work as a volunteer pharmacist without pay.

Refer to Self-employed Pharmacist classification for an Employed Pharmacist who works 10 hours or more per week as a self-employed pharmacist.

2 - Self-employed Pharmacist - includes relief (independent contractor) or consultant RPh

- a. provides pharmacy services for a pharmacy operation;
- b. receives an IRS Form 1099-MISC for pharmacy services provided; and
- c. is not an owner or partner of a pharmacy or pharmacy-related business other than a sole-proprietor of a relief (independent contractor) or consultant pharmacist business.

3 - Owner or Partner

- a. provides pharmacy services for a pharmacy operation; and
- b. is also an owner or partner of a pharmacy or pharmacy-related business other than a sole-proprietor of a relief (independent contractor) or consultant pharmacist business.

4 - Instructor

- a. works as an instructor at an accredited school of pharmacy or pharmacy educational facility; and
- b. works less than 10 hours per week outside the classroom as an employed or self-employed pharmacist.

Refer to Employed Pharmacist or Self-employed Pharmacist classification for an Instructor who works 10 hours or more per week outside the classroom.

5 - Pharmacy Student or Intern

- a. a non-licensed pharmacist working on a pharmacy degree; or
- b. a graduate from a school of pharmacy who has not yet received a pharmacy license.

Refer to Employed Pharmacist or Self-employed Pharmacist classification for a licensed pharmacist who is attending a school of pharmacy for an advanced pharmacy degree.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY PROGRAM MANUAL
COUNTRYWIDE

IX. ANNUAL PREMIUMS

Rating Classifications	Premium	
	Excluding Sterile Compounding	No Exclusions
Employed Pharmacist	\$139	\$299
First year graduate discount	50%	50%
Self-employed Pharmacist	\$360	\$500
First year graduate discount	50%	50%
Owner or Partner		
Business Insurance provided by PhMIC	\$139	\$299
First year graduate discount	50%	50%
Instructor	\$70	\$160
Pharmacy Student or Intern		
Individual Billing	not applicable	\$35
College Student Group Billing	not applicable	\$18

A first year graduate discount applies in the year following graduation. This is a one-time discount available to the following Rating Classifications: Employed Pharmacist, Self-employed Pharmacist, and Owner or Partner.

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Product Name:	Individual Pharmacist Professional Liability		
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Supporting Document Schedules

Satisfied - Item:	Form RF3 - (Summary Sheet)
Comments:	
Attachment(s):	RF 3.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Certification
Comments:	
Attachment(s):	Actuarial Certification.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Manual
Comments:	The manual has been attached to the Rate/Rule Schedule Tab
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Request to Maintain Data as Trade Secret Information
Bypass Reason:	n/a
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Countrywide Individual Pharmacist Professional Liability Program Manual Comparson 07 08 to 08 13
Comments:	
Attachment(s):	PHL RATES-RULES Comparison 07-15-2008 to 08 13.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Rate/Rule Filing Memorandum & Supporting Exhibits
Comments:	
Attachment(s):	CW PHL Rate Indication 2012.pdf CW PHL RATE RULE Filing Memorandum 10 13A.pdf
Item Status:	

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
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Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Status Date:	
Satisfied - Item:	Rate Effect Exhibit
Comments:	
Attachment(s):	Rate Effect A.pdf
Item Status:	
Status Date:	

ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 8/1/13 New Business & 10/1/13 Renewal Business

(1) <u>Coverage</u>	(2) <u>Annual Premium Volume (Illinois)*</u>	(3) <u>Percent Change (+ or -)**</u>
1. Automobile Liability Private Passenger Commercial		
2. Automobile Physical Damage Private Passenger Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Med -Mal</u>	31818	-3.3
Line of Insurance		

Does filing only apply to certain territory (territories) or certain classes? If so, specify: NO

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): _____

Pharmacists Mutual Insurance Company is filing a revision to our Individual Pharmacist Professional Liability Program in your state. With this revision we are expanding the Professional Liability Insurance Policy to provide two Individual Pharmacist Professional Liability Insurance Policy options, one which includes Sterile Compounding and one which Excludes Sterile Compounding. As a result of the introduction of these two new policies we have revised the Individual Pharmacist Professional Liability Program Manual to reflect the new rates for each of these coverages. All policyholders will be automatically renewed with the basic coverage and will have the option to upgrade to the broad coverage. The resulting effect is an overall rate decrease of 3.3%. We would like for these revision to become effective for all new business on or after August 1, 2013 and for all renewal business written on or after October 1, 2013.

*Adjusted to reflect all prior rate changes.

**Change in Company's premium level which will result from application of new rates.

Pharmacists Mutual Insurance Company
Name of Company

Rich M. Berke - Regional Vice President
Official – Title

PHARMACISTS MUTUAL INSURANCE COMPANY
ACTUARIAL OPINION
MEDICAL MALPRACTICE RATES

My name is Derrick Shannon and I am the Chief Actuary for Pharmacists Mutual Insurance Company. I am a Fellow of the Casualty of Actuarial Society (FCAS) and a Member of the American Academy of Actuaries (MAAA).

In regard to the filed Individual Pharmacist Professional Liability rates:

- I have reviewed the material submitted to the division;
- This material is true and accurate to the best of my knowledge, information, and belief, and
- It is my opinion that the premiums will not be excessive, inadequate, or unfairly discriminatory.



Signature of Qualified Actuary

Derrick D. Shannon FCAS, MAAA 06/17/13

Name and Designation of Qualified Actuary

Date

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY ~~INSURANCE POLICY~~ PROGRAM [MANUAL](#)
[COUNTRYWIDE](#)

I. Program Description

[1.1 Policy Coverage](#)

- [a.](#) The Individual Pharmacist Professional Liability Insurance Policy provides coverage on an excess basis for damages which an insured is legally obligated to pay because of an occurrence. The occurrence must result in bodily injury, property damage, or personal and advertising injury arising out of the rendering or failure to render pharmacy services.

~~The following are also included in the Individual Pharmacist Professional Liability Insurance Policy:~~

- [b.](#) ~~a-~~Limited Pharmacist's License Defense Reimbursement provides reimbursement for legal fees incurred, arising out of an insured's rendering or failure to render pharmacy services. Reimbursement is subject to the conditions as set forth in the policy and applies in excess of a \$500 deductible per incident; and
- [c.](#) ~~b-~~Certified [Cardio-Pulmonary Resuscitation \(CPR\)](#) Coverage provides coverage on an excess basis for damages which an insured becomes legally obligated to pay due to bodily injury or property damage arising out of performing ~~cardio-pulmonary resuscitation (CPR)~~, but only if certified ~~for to~~ [administer](#) CPR.

[1.2 Policy Forms](#)

- [a. Attach policy PM 1158, Excluding Sterile Compounding](#)
- [b. Attach policy PM 1159, Including Sterile Compounding](#)

II. Eligibility

An Individual Pharmacist Professional Liability Insurance Policy may be issued to an individual who:

- a. holds a valid license to practice pharmacy; or
- b. is an undergraduate pharmacy student or graduate who does not hold a valid license to practice pharmacy.

III. College Student Group Billing Program

An Individual Pharmacist Professional Liability Insurance Policy may be issued under the College Student Group Billing Program providing coverage to students of an accredited school of pharmacy at a discounted group rate.

To qualify for the College Student Group Billing Program:

- a. a minimum of 35 Individual Pharmacist Professional Liability Insurance Policies must be issued to undergraduate pharmacy students within the accredited school of pharmacy; and

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY ~~INSURANCE POLICY~~ PROGRAM [MANUAL](#)
[COUNTRYWIDE](#)

- b. all Individual Pharmacist Professional Liability Insurance Policies are issued with a common anniversary date; and
- c. the school agrees to:
 - 1) provide a completed enrollment form for all undergraduate pharmacy students requesting coverage; and
 - 2) remit the insurance premium for each undergraduate pharmacy student to Company upon receipt of the Group Bill.

The College Student Group Billing Program is not available to a licensed pharmacist who is attending a school of pharmacy.

IV. Term of Policy

An Individual Pharmacist Professional Liability Insurance Policy can be written for a term not to exceed one year. The Policy may be continued for successive terms by payment of the required premiums.

V. Limits of Liability

<u>Coverage</u>	<u>Per Occurrence</u>	<u>Aggregate</u>
Professional Liability	\$1,000,000	\$3,000,000
Limited Pharmacist's License		
Defense Reimbursement	\$ 10,000	\$ 10,000
Certified CPR	\$ 50,000	\$ 50,000

VI. Minimum Premium

The Individual Pharmacist Professional Liability Insurance Policy is subject to a minimum premium, regardless of the policy term. The minimum premium is not subject to reduction in the event of cancellation.

Individual Pharmacist Professional Liability Insurance Policy	\$ 25.00
College Student Group Billing Program	\$ 16.00

NOTE: The \$25.00 minimum premium does not apply when the policy term is changed to coordinate with the renewal date of another Pharmacists Mutual Insurance policy.

VII. Cancellation

The Individual Pharmacist Professional Liability Insurance Policy, canceled by either the insured or the company, must be canceled in accordance with the terms of the cancellation provisions that apply. The return premium, if any, is computed on a pro rata basis, subject to the minimum premium.

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VIII. Rating Classifications

To be eligible for a rating classification, the applicant must meet the qualifications for the Classification.

A volunteer pharmacist working without pay does not affect the Rating Classification.

1 - Employed Pharmacist

- a. provides pharmacy services for a pharmacy operation;
- b. receives an IRS Form W-2 Wage and Tax Statement for wages earned;
- c. is not an owner or partner of a pharmacy or pharmacy-related business;
- d. works less than 10 hours per week as a self-employed pharmacist; and
- e. may work as a volunteer pharmacist without pay.

Refer to Self-employed Pharmacist classification for an Employed Pharmacist who works 10 hours or more per week as a self-employed pharmacist.

2 - Self-employed Pharmacist - includes relief (independent contractor) or consultant RPh

- a. provides pharmacy services for a pharmacy operation;
- b. receives an IRS Form 1099-MISC for pharmacy services provided; and
- c. is not an owner or partner of a pharmacy or pharmacy-related business other than a sole-proprietor of a relief (independent contractor) or consultant pharmacist business.

3 - Owner or Partner

- a. provides pharmacy services for a pharmacy operation; and
- b. is also an owner or partner of a pharmacy or pharmacy-related business other than a sole-proprietor of a relief (independent contractor) or consultant pharmacist business.

4 - Instructor

- a. works as an instructor at an accredited school of pharmacy or pharmacy educational facility; and
- b. works less than 10 hours per week outside the classroom as an employed or self-employed pharmacist.

Refer to Employed Pharmacist or Self-employed Pharmacist classification for an Instructor who works 10 hours or more per week outside the classroom.

5 - Pharmacy Student or Intern

- a. a non-licensed pharmacist working on a pharmacy degree; or
- b. a graduate from a school of pharmacy who has not yet received a pharmacy license.

Refer to Employed Pharmacist or Self-employed Pharmacist classification for a licensed pharmacist who is attending a school of pharmacy for an advanced pharmacy degree.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY ~~INSURANCE POLICY~~ PROGRAM [MANUAL](#)
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IX. ANNUAL PREMIUMS

Rating Classifications	Premium
1 — Employed Pharmacist	\$ 144.00
 First year graduate discount	50%
2 — Self-employed Pharmacist	\$ 375.00
 First year graduate discount	50%
3 — Owner or Partner	
 Business Insurance provided by PhMIC	\$ 144.00
 First year graduate discount	50%
4 — Instructor	\$75.00
5 — Pharmacy Student or Intern	
 Individual Billing	\$32.00
 College Student Group Billing	\$16.00

Rating Classifications	Premium	
	<u>Excluding Sterile Compounding</u>	<u>No Exclusions</u>
<u>Employed Pharmacist</u>	<u>\$139</u>	<u>\$299</u>
First year graduate discount	50%	50%
<u>Self-employed Pharmacist</u>	<u>\$360</u>	<u>\$500</u>
First year graduate discount	50%	50%
<u>Owner or Partner</u>		
Business Insurance provided by PhMIC	\$139	\$299
First year graduate discount	50%	50%
<u>Instructor</u>	<u>\$70</u>	<u>\$160</u>
<u>Pharmacy Student or Intern</u>		
Individual Billing	not applicable	\$35
College Student Group Billing	not applicable	\$18

A first year graduate discount applies in the year following graduation. This is a one-time discount available to the following Rating Classifications: Employed Pharmacist, Self-employed Pharmacist, and Owner or Partner.

Individual Pharmacist Professional Liability

COUNTRYWIDE

Rate Level Indications at 12/31/2012

Pharmacy Professional Liability	Accident Year					5 year
	2008	2009	2010	2011	2012	Total
(1) Adjusted Earned Premium	4,796,092	4,850,740	4,914,606	5,125,678	5,315,760	25,002,876
(2) Developed - Trended Losses	39,770	38,716	151,140	118,601	6,384,545	6,732,773
(3) Actual Loss Ratio	0.8%	0.8%	3.1%	2.3%	120.1%	26.9%

- (3) Actual Loss Ratio - 5 Year
- (4) Expected Loss Ratio
- (5) Indicated Change
- (6) Credibility
- (7) Complement
- (8) Annual Trend
- (9) Weighted Indicated Chg

PHL
26.9%
32.7%
-17.6%
27.0%
73.0%
0.0%
-4.7%

- (1) Exhibit 4
- (2) Exhibit 7
- (3) (2) / (1)
- (4) Exhibit 8
- (5) ((3) / (4)) - 1.00

- (6) Exhibit 9
- (7) 1.0 - (6)
- (8) Exhibit 6
- (9) (5) * (6) + (7) * (8)

PHARMACISTS MUTUAL INSURANCE COMPANY

Exhibit 2

**Individual Pharmacist Professional Liability
COUNTRYWIDE
Rate Change History and Current Rate Level Factors**

Effective Date	Rate Change	Cumulative Index
7/1/2007		1.000
7/1/2008	0.00%	1.000
7/1/2009	0.00%	1.000
7/1/2010	0.00%	1.000
7/1/2011	0.00%	1.000
7/1/2012	0.00%	1.000

Year	Average Rate Level	Current Rate Level
2008	1.000	1.000
2009	1.000	1.000
2010	1.000	1.000
2011	1.000	1.000
2012	1.000	1.000

PHARMACISTS MUTUAL INSURANCE COMPANY

Exhibit 3

Individual Pharmacist Professional Liability

COUNTRYWIDE

Exposure Trend

Selected Trend:

-1.50%

Assumed Eff Date 10/1/2013

Accident Year	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Average Effective Date	7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012
Average Written Date when new rates are expected to be in effect	4/1/2014	4/1/2014	4/1/2014	4/1/2014	4/1/2014
Years in Period	5.750	4.750	3.750	2.750	1.750
Annual Exposure Trend	0.985	0.985	0.985	0.985	0.985
Exposure Trend Factor	0.917	0.931	0.945	0.959	0.974

PHARMACISTS MUTUAL INSURANCE COMPANY

Exhibit 3

Individual Pharmacist Professional Liability

COUNTRYWIDE

Exposure Trend

Exhibit 3									
Index	Calendar Year	Earned Prem		OLF	OL Earned Prem	Exposures (Policies)	Rolling Prem	Rolling Exposures	Avg Prem
	(A)	(B)		(C)	(B)*(C)	(D)	(E) = Sum Last 4 Qtr OL Earned Prem	(F) = Sum Last 4 Exposures	(E)/(F)*4
	3/31/2006	\$ 1,315,429	\$ 1,315,429	1.000	\$ 1,315,429	31,809			
	6/30/2006	\$ 2,672,839	\$ 1,357,410	1.000	\$ 1,357,410	32,215			
	9/30/2006	\$ 4,088,326	\$ 1,415,487	1.000	\$ 1,415,487	32,570			
	12/31/2006	\$ 5,536,626	\$ 1,448,300	1.000	\$ 1,448,300	32,676	\$ 5,536,626	129270	\$ 171
24	3/31/2007	\$ 1,425,169	\$ 1,425,169	1.000	\$ 1,425,169	32,807	\$ 5,646,365	130268	\$ 173
23	6/30/2007	\$ 2,864,136	\$ 1,438,967	1.000	\$ 1,438,967	32,960	\$ 5,727,923	131013	\$ 175
22	9/30/2007	\$ 4,324,958	\$ 1,460,822	1.000	\$ 1,460,822	33,282	\$ 5,773,258	131725	\$ 175
21	12/31/2007	\$ 6,798,076	\$ 2,473,118	1.000	\$ 2,473,118	33,464	\$ 6,798,076	132513	\$ 205
20	3/31/2008	\$ 1,462,681	\$ 1,462,681	1.000	\$ 1,462,681	33,734	\$ 6,835,589	133440	\$ 205
19	6/30/2008	\$ 2,929,511	\$ 1,466,830	1.000	\$ 1,466,830	33,888	\$ 6,863,451	134368	\$ 204
18	9/30/2008	\$ 4,424,339	\$ 1,494,828	1.000	\$ 1,494,828	34,438	\$ 6,897,457	135524	\$ 204
17	12/31/2008	\$ 5,937,780	\$ 1,513,441	1.000	\$ 1,513,441	34,635	\$ 5,937,780	136695	\$ 174
16	3/31/2009	\$ 1,475,197	\$ 1,475,197	1.000	\$ 1,475,197	34,714	\$ 5,950,296	137675	\$ 173
15	6/30/2009	\$ 2,953,995	\$ 1,478,798	1.000	\$ 1,478,798	34,811	\$ 5,962,264	138598	\$ 172
14	9/30/2009	\$ 4,440,461	\$ 1,486,466	1.000	\$ 1,486,466	35,495	\$ 5,953,902	139655	\$ 171
13	12/31/2009	\$ 5,927,029	\$ 1,486,568	1.000	\$ 1,486,568	35,729	\$ 5,927,029	140749	\$ 168
12	3/31/2010	\$ 1,451,084	\$ 1,451,084	1.000	\$ 1,451,084	35,838	\$ 5,902,916	141873	\$ 166
11	6/30/2010	\$ 2,919,298	\$ 1,468,214	1.000	\$ 1,468,214	36,021	\$ 5,892,332	143083	\$ 165
10	9/30/2010	\$ 4,416,458	\$ 1,497,160	1.000	\$ 1,497,160	36,893	\$ 5,903,026	144481	\$ 163
9	12/31/2010	\$ 5,938,232	\$ 1,521,774	1.000	\$ 1,521,774	37,090	\$ 5,938,232	145842	\$ 163
8	3/31/2011	\$ 1,490,480	\$ 1,490,480	1.000	\$ 1,490,480	37,244	\$ 5,977,628	147248	\$ 162
7	6/30/2011	\$ 2,998,480	\$ 1,508,000	1.000	\$ 1,508,000	37,362	\$ 6,017,414	148589	\$ 162
6	9/30/2011	\$ 4,533,944	\$ 1,535,464	1.000	\$ 1,535,464	37,993	\$ 6,055,718	149689	\$ 162
5	12/31/2011	\$ 6,089,749	\$ 1,555,805	1.000	\$ 1,555,805	38,120	\$ 6,089,749	150719	\$ 162
4	3/31/2012	\$ 1,538,323	\$ 1,538,323	1.000	\$ 1,538,323	38,234	\$ 6,137,592	151709	\$ 162
3	6/30/2012	\$ 3,077,218	\$ 1,538,895	1.000	\$ 1,538,895	38,336	\$ 6,168,487	152683	\$ 162
2	9/30/2012	\$ 4,640,826	\$ 1,563,608	1.000	\$ 1,563,608	38,842	\$ 6,196,631	153532	\$ 161
1	12/31/2012	\$ 6,222,496	\$ 1,581,670	1.000	\$ 1,581,670	39,075	\$ 6,222,496	154487	\$ 161

Trend Periods	Exposure Trend	Premium Trend
8 qtr	2.73%	-0.35%
12 qtr	3.17%	-0.92%
16 qtr	3.26%	-1.84%
20 qtr	3.25%	-4.37%
24 qtr	3.17%	-3.33%
Selected		-1.50%

Individual Pharmacist Professional Liability
COUNTRYWIDE
Adjusted Earned Premium

Pharmacy Services Professional Liability

(1)	(2)	(3)	(4)	(5)
Accident	Actual	Current	Exposure	Adjusted
Year	Earned	Rate Level	Trend	Earned
	Premium	Factor	Factor	Premium
2008	5,231,535	1.000	0.917	4,796,092
2009	5,211,778	1.000	0.931	4,850,740
2010	5,201,192	1.000	0.945	4,914,606
2011	5,343,203	1.000	0.959	5,125,678
2012	5,458,232	1.000	0.974	5,315,760

Source: (2) Internal Reports
(3) Exhibit 2
(4) Exhibit 3
(5) = (2) * (3) * (4)

PHARMACISTS MUTUAL INSURANCE COMPANY

Exhibit 5

Individual Pharmacist Professional Liability

COUNTRYWIDE

PROJECTED DIRECT & ASSUMED ULTIMATE LOSSES BASED ON REPORTED LOSS DEVELOPMENT

CW Direct & Assumed Cumulative Losses Reported (\$000's)										
Accident Year	Months of Development									
	12	24	36	48	60	72	84	96	108	120
2003	22	130	110	235	234	234	234	234	234	234
2004	33	45	60	67	307	308	308	308	308	
2005	46	29	39	36	33	30	30	30		
2006	39	50	97	84	84	84	84			
2007	84	1,101	1,027	1,029	1,029	1,032				
2008	13	65	40	43	40					
2009	46	32	20	35						
2010	93	106	114							
2011	73	82								
2012	6,074									

CW Direct Reported Loss Link Ratios										
Accident Year	Development Intervals									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:Ult
2003	5.909	0.846	2.136	0.996	1.000	1.000	1.000	1.000	1.000	
2004	1.364	1.333	1.117	4.582	1.003	1.000	1.000	1.000		
2005	0.630	1.345	0.923	0.917	0.909	1.000	1.000			
2006	1.282	1.940	0.866	1.000	1.000	1.000				
2007	13.107	0.933	1.002	1.000	1.003					
2008	5.000	0.615	1.075	0.930						
2009	0.696	0.625	1.750							
2010	1.140	1.075								
2011	1.123									

Summary of Direct Link Ratios										
	Development Intervals									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:Ult
Average	3.361	1.089	1.267	1.571	0.983	1.000	1.000	1.000	1.000	
Avg Excl H-L	2.359	1.026	1.173	0.982	1.001	1.000				
Weighted Avg	3.653	0.967	1.098	1.156	1.001	1.000	1.000			
3 Yr Wtd Avg	1.038	0.857	1.018	0.997	1.000	1.000	1.000			

Selected	3.600	1.100	1.200	1.100	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	5.227	1.452	1.320	1.100	1.000	1.000	1.000	1.000	1.000	1.000

PHARMACISTS MUTUAL INSURANCE COMPANY

Exhibit 6

Individual Pharmacist Professional Liability

COUNTRYWIDE

Loss Trend

Selected Trend: **0.00%**

Accident Year	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Midpoint of AY Year	7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012
Beg. Accident Point for Proposed Policy Term	7/1/2013	7/1/2013	7/1/2013	7/1/2013	7/1/2013
Ending Accident Point for Proposed Policy Term	7/1/2015	7/1/2015	7/1/2015	7/1/2015	7/1/2015
Average Accident Point for Proposed Policy Term	7/1/2014	7/1/2014	7/1/2014	7/1/2014	7/1/2014
Days in period	2191	1826	1461	1096	730
Years in period	7.00	6.00	5.00	4.00	3.00
Annual Trend	1.000	1.000	1.000	1.000	1.000
Loss Trend	1.000	1.000	1.000	1.000	1.000

Exhibit 6

12 Qtr Reported As	12 Months Ending	Reported Claims	Closed Claims		Paid Losses & DCCE		Freq	Avg Claim Cost Severity	Pure Premium	Exposure Units (Policy Count)	Rolling Losses	Rolling Exposures	Frequency	Ave Claim Severity	Pure Premium
		[1]	[2]		[3]		[1]/[5]	[3]/[2]	[3]/[5]	[5]	[6]	[7]	[1] / [7]	[6] / [2]	[6] / [7]
2006Q2	2005Q2	7	4	\$ 7,310	\$ 7	0.000	\$ 1.83	\$ 0.00	32215						
2006Q3	2005Q3	3	3	\$ 7,500	\$ 8	0.000	\$ 2.50	\$ 0.00	32570						
2006Q4	2005Q4	4	4	\$ 9,606	\$ 10	0.000	\$ 2.40	\$ 0.00	32676						
2007Q1	2006Q1	4	16	\$ 122,571	\$ 123	0.000	\$ 7.66	\$ 0.00	32807		147	130268	0.00	9.19	0.00
2007Q2	2006Q2	10	4	\$ 12,961	\$ 13	0.000	\$ 3.24	\$ 0.00	32960		153	131013	0.00	38.16	0.00
2007Q3	2006Q3	6	12	\$ 123,469	\$ 123	0.000	\$ 10.29	\$ 0.00	33282		269	131725	0.00	22.38	0.00
2007Q4	2006Q4	5	4	\$ 5,583	\$ 6	0.000	\$ 1.40	\$ 0.00	33464		265	132513	0.00	66.15	0.00
2008Q1	2007Q1	8	3	\$ 3,628	\$ 4	0.000	\$ 1.21	\$ 0.00	33734		146	133440	0.00	48.55	0.00
2008Q2	2007Q2	4	4	\$ 9,500	\$ 10	0.000	\$ 2.38	\$ 0.00	33888		142	134368	0.00	35.54	0.00
2008Q3	2007Q3	4	9	\$ 35,168	\$ 35	0.000	\$ 3.91	\$ 0.00	34438		54	135524	0.00	5.99	0.00
2008Q4	2007Q4	4	4	\$ 9,634	\$ 10	0.000	\$ 2.41	\$ 0.00	34635		58	136695	0.00	14.48	0.00
2009Q1	2008Q1	4	6	\$ 530,545	\$ 531	0.000	\$ 88.42	\$ 0.02	34714		585	137675	0.00	97.47	0.00
2009Q2	2008Q2	6	8	\$ 911,340	\$ 911	0.000	\$ 113.92	\$ 0.03	34811		1487	138598	0.00	185.84	0.01
2009Q3	2008Q3	2	7	\$ 11,295	\$ 11	0.000	\$ 1.61	\$ 0.00	35495		1463	139655	0.00	208.97	0.01
2009Q4	2008Q4	3	5	\$ 625,198	\$ 625	0.000	\$ 125.04	\$ 0.02	35729		2078	140749	0.00	415.68	0.01
2010Q1	2009Q1	3	2	\$ 4,591	\$ 5	0.000	\$ 2.30	\$ 0.00	35838		1552	141873	0.00	776.21	0.01
2010Q2	2009Q2	3	5	\$ 1,013,079	\$ 1,013	0.000	\$ 202.62	\$ 0.03	36021		1654	143083	0.00	330.83	0.01
2010Q3	2009Q3	3	1	\$ 360	\$ 0	0.000	\$ 0.36	\$ 0.00	36893		1643	144481	0.00	1,643.23	0.01
2010Q4	2009Q4	2	5	\$ 46,837	\$ 47	0.000	\$ 9.37	\$ 0.00	37090		1065	145842	0.00	212.97	0.01
2011Q1	2010Q1	4	7	\$ 262,124	\$ 262	0.000	\$ 37.45	\$ 0.01	37244		1322	147248	0.00	188.91	0.01
2011Q2	2010Q2	5	2	\$ 11,264	\$ 11	0.000	\$ 5.63	\$ 0.00	37362		321	148589	0.00	160.29	0.00
2011Q3	2010Q3	1	4	\$ 5,663	\$ 6	0.000	\$ 1.42	\$ 0.00	37993		326	149689	0.00	81.47	0.00
2011Q4	2010Q4	7	4	\$ 22,197	\$ 22	0.000	\$ 5.55	\$ 0.00	38120		301	150719	0.00	75.31	0.00
2012Q1	2011Q1	5	3	\$ 12,069	\$ 12	0.000	\$ 4.02	\$ 0.00	38234		51	151709	0.00	17.06	0.00
2012Q2	2011Q2	0	2	\$ 3,781	\$ 4	0.000	\$ 1.89	\$ 0.00	38336		44	152683	-	21.86	0.00
2012Q3	2011Q3	1	6	\$ 38,260	\$ 38	0.000	\$ 6.38	\$ 0.00	38842		76	153532	0.00	12.72	0.00
2012Q4	2011Q4	7	2	\$ 16,500	\$ 17	0.000	\$ 8.25	\$ 0.00	39075		71	154487	0.00	35.31	0.00

Last 8	0.00%	-75.85%	-82.04%
Last 12	0.00%	-78.41%	-78.20%
Last 16	0.00%	-54.56%	-63.64%
Last 20	0.00%	-5.92%	-20.12%
*Selected:	0.00%		

Individual Pharmacist Professional Liability

COUNTRYWIDE

Trended Ultimate Losses

(1)	(2)	(3)	(4)	(5)
Accident Year	Actual Reported Losses	Loss Development Factor	Loss Trend Factor	Trended Ultimate Losses
2008	39,770	1.000	1.000	39,770
2009	35,196	1.100	1.000	38,716
2010	114,500	1.320	1.000	151,140
2011	81,681	1.452	1.000	118,601
2012	6,073,566	5.227	1.000	6,384,545

Source: (2) Internal Reports

(3) Exhibit 4

(4) Exhibit 5

(5) = (2)*(3)*(4)

PHARMACISTS MUTUAL INSURANCE COMPANY

Exhibit 8

Pharmacy Professional Liability

A/S Line 11.0

Countrywide

Underwriting Expense History

Countrywide (\$000's omitted)												
	2008		2009		2010		2011		2012		Total	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
Written Premium	\$6,590		\$6,527		\$6,869		\$7,218		\$7,165		\$34,369	
Earned Premium	6,539		6,487		6,757		7,023		7,286		\$34,092	
Commission and Brokerage (W)	7	0.1%	40	0.6%	73	1.1%	101	1.4%	81	1.1%	\$302	1.2%
Other Acquisition Expense (W)	999	15.2%	1,020	15.6%	1,112	16.2%	1,170	16.2%	1,110	15.5%	\$5,411	16.0%
General Expense (E)	453	6.9%	472	7.3%	509	7.5%	534	7.6%	525	7.2%	\$2,493	7.4%
Taxes, Licenses, and Fees (W)	159	2.4%	154	2.4%	142	2.1%	158	2.2%	163	2.3%	\$776	2.2%
Incurred Loss	\$2,271		\$816		\$394		\$131		\$6,898		\$10,510	
Defense Expense	197	8.7%	119	14.6%	(177)	-44.9%	53	40.5%	728	10.6%	\$920	8.8%
Adjusting Expense	499	22.0%	430	52.7%	175	44.4%	308	235.1%	(128)	-1.9%	\$1,284	12.2%
Total LAE	696	30.6%	549	67.3%	(2)	-0.5%	361	275.6%	600	8.7%	\$2,204	21.0%

	Selected Expense Provisions	Total
a	Commission and Brokerage	0.0%
b	Other Acquisition Expense	16.0%
c	General Expense	7.4%
d	Taxes, Licenses, and Fees	2.2%
e	Total Underwriting Expenses	25.6%
f	Total Company Written Premium	101,424,556
g	Total Expenses = e * f	25,952,319
h	Total Policies	86,188
i	Expenses Per Policy = g / h	301
j	PHL Effort Adjustment	0.30
k	PHL Expenses Per Policy = i * j	90
l	Total PHL Policies	39,222
m	PHL Expenses = k * l	3,543,075
n	PHL Premium	5,860,000
o	PHL Expense Ratio = m / n	60.5%
p	Underwriting Profit & Contingencies	0.0%
q	Total Expense Provision	60.5%
r	Expected Loss & LAE Ratio	39.5%
s	Loss Adjustment Expense Ratio	21.0%
t	Expected Loss Ratio	32.7%

Individual Pharmacist Professional Liability

COUNTRYWIDE

Credibility

A value of 1,082 claims implies that the number of claims (n) is within 5% of the expected value 90% of the time.

That is to say that $1,082 = (1.645/.05)^2$, where 1.645 is the 90th percentile of standard normal distribution.

Accident Year	Commercial Umbrella Reported
2008	13
2009	8
2010	19
2011	16
2012	20
Total	76

Claims for Full Credibility 1,082

Calculated Credibility 27.0%

Selected Credibility 27.0%

PHARMACISTS MUTUAL INSURANCE COMPANY

Individual Pharmacist Professional Liability Program COUNTRYWIDE Rate/Rule Filing Memorandum

Pharmacists Mutual Insurance Company is filing a revision to our Individual Pharmacist Professional Liability Program in your state. We are modifying the Individual Pharmacist Professional Liability Policy to explicitly exclude sterile compounding. We are also introducing an optional policy to include sterile compounding.

As a result of the introduction of these two new policies we have revised the Individual Pharmacist Professional Liability Program Manual to reflect the new rates for each of these coverages. All policyholders will be automatically renewed with the basic coverage and will have the option to upgrade to the broad coverage. The resulting effect is an overall rate decrease of -3.30%.

We would like for these revisions to become effective for all new business on or after August 1, 2013 and for all renewal business written on or after October 1, 2013.

Manual Rule Changes

Changes noted are as compared to PhMIC's Countrywide Individual Pharmacist Professional Liability Program Manual, edition 07/15/2008; refer to the attached CW PHL Exception Pages Comparison 07 08 to 08 13.pdf.

1. **Rule I. Program Description** – Reference has been added for the new policy form options.
2. **Rule IX. Annual Premiums** – Rating has been revised to address the new rates for the new coverage options.
3. We have also made additional editorial changes throughout the manual.

Rate Indication

Exhibit 1

Exhibit 1 presents the rate level indications for accident years 2010 – 2012 as of 12/31/2012. Actual earned premiums have been adjusted to current manual rates and losses have been developed to an ultimate settlement value and trended to the midpoint of the period that the rates are expected to be in effect. The resulting loss ratio is then compared to the expected loss ratio producing a gross indication. A credibility value has been assigned to the company data based on reported claim counts. The complement to the company data is the annual trend. The overall weighted indicated change is a decrease of 4.7%.

Exhibit 2

Exhibit 2 contains Company rate change history and the calculation of current rate level factors.

Exhibit 3

Exhibit 3 contains the calculation of PMIC annual exposure trend factor. We have evaluated our company's historical calendar year premium and policy data from 2006 through 2012. Although policy counts have steadily increased, but premiums have remained fairly steady. We have chosen an exposure trend of -1.5%.

Exhibit 4

In Exhibit 4, the Adjusted Earned Premium is derived from applying the Current Rate Level Factors (Exhibit 2) and Exposure Trend (Exhibit 3) to the accident year Actual Earned Premium.

Exhibit 5

Exhibit 5 contains PMIC's loss development through 2012. Loss development triangles have been compiled using cumulative reported losses. Loss link ratios have been calculated to measure development of cumulative losses between each period. Average, average excluding high and low, weighted average, and three-year weighted average link ratios were considered in the selection of age-to-age loss link ratios. Cumulative loss development factors were calculated as the product of age-to-ultimate loss link ratios.

Exhibit 6

Exhibit 6 contains the calculation of PMIC annual loss trend. We have evaluated actual company claim data by quarter from 2006 through 2012, determining average claim cost severity and frequency in order to determine pure premium. Due to the long tail on liability losses, the paid losses are reported as of 12 quarters from the date of loss. We have selected a loss trend of 0.0%.

Exhibit 7

In Exhibit 7, the Trended Ultimate Losses are calculated by applying Loss Development Factors (Exhibit 5) and Loss Trend Factors (Exhibit 6) to the accident year Actual Reported Losses.

Exhibit 8

PhMIC's Countrywide Expense History for annual statement line 11.0 is contained in Exhibit 8. Our countrywide overall Underwriting Expense is 25.6%. This translates into an average expense of \$301 per policy.

We have also taken into consideration the fact that there is much less effort involved in writing this type of policy. To account for this we have included a PHL Effort Adjustment. The adjusted PHL Expenses Per Policy, which includes the PHL Effort Adjustment, is only \$90 per policy, resulting in Total Expense Provision of 60.5%.

The estimated loss adjustment expense of ratio of 21.0% is based on actual company experience. In total this yields an Expected Loss Ratio of 32.7%, which we believe is a reasonable assumption for this book of business.

Exhibit 9

Exhibit 9 contains the calculation of the value of credibility assigned to the company data in the indications. A standard value of 1082 is used as the number of claims needed for full credibility.

Individual Pharmacist Professional Liability
COUNTRYWIDE RATE EFFECT

	Self Employed Pharmacist	Employed Pharmacist	Instructor	Student Individual Billing	Group Billing Program
Current Rate	\$375	\$144	\$75	\$32	\$16
Current # Policyholders	47,253				
Exposure Mix Assumption	# Policyholders		Proposed Rates <u>Option 1</u>	% chg from current	
Self Employed Pharmacist	1.0%	489	\$360	-4.0%	
Excluding Sterile Compounding	96.2%	45,454	\$139	-3.5%	
No Exclusions	0.0%	0	\$299		
Instructor	1.1%	540	\$70	-6.7%	
Student Individual Billing	1.6%	765	\$35	9.4%	
Group Billing Program	0.0%	5	\$18	12.5%	
2012 PHL Written Premium			5,525,251		
Anticipated Premium Impact:			(182,582)		
Overall % Change:			-3.30%		

State:	Illinois	Filing Company:	Pharmacists Mutual Insurance Company
TOI/Sub-TOI:	11.1 Med Mal-Occurrence Only/11.1021 Pharmacy		
Product Name:	Individual Pharmacist Professional Liability		
Project Name/Number:	PHL Cpdg Rev/IL-PHL/CSP-10-13-RR		

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
06/17/2013		Rate	Countrywide Individual Pharmacist Professional Liability Program Manual, edition 10 13	06/19/2013	2013 PHL RATES-RULES 08 13.pdf (Superceded)
06/17/2013		Supporting Document	Countrywide Individual Pharmacist Professional Liability Program Manual Comparson 07 08 to 08 13	06/19/2013	PHL RATES-RULES Comparison 07-15-2008 to 08 13.pdf (Superceded)
06/04/2013		Supporting Document	Form RF3 - (Summary Sheet)	06/25/2013	RF 3.pdf (Superceded)

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY PROGRAM MANUAL
COUNTRYWIDE

I. Program Description

1.1 Policy Coverage

- a. The Individual Pharmacist Professional Liability Insurance Policy provides coverage on an excess basis for damages which an insured is legally obligated to pay because of an occurrence. The occurrence must result in bodily injury, property damage, or personal and advertising injury arising out of the rendering or failure to render pharmacy services.
- b. Limited Pharmacist's License Defense Reimbursement provides reimbursement for legal fees incurred, arising out of an insured's rendering or failure to render pharmacy services. Reimbursement is subject to the conditions as set forth in the policy and applies in excess of a \$500 deductible per incident; and
- c. Certified Cardio-Pulmonary Resuscitation (CPR) Coverage provides coverage on an excess basis for damages which an insured becomes legally obligated to pay due to bodily injury or property damage arising out of performing CPR, but only if certified to administer CPR.

1.2 Policy Forms

- a. Attach policy PM 1158, Including Sterile Compounding
- b. Attach policy PM 1159, Excluding Sterile Compounding

II. Eligibility

An Individual Pharmacist Professional Liability Insurance Policy may be issued to an individual who:

- a. holds a valid license to practice pharmacy; or
- b. is an undergraduate pharmacy student or graduate who does not hold a valid license to practice pharmacy.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY PROGRAM MANUAL
COUNTRYWIDE

III. College Student Group Billing Program

An Individual Pharmacist Professional Liability Insurance Policy may be issued under the College Student Group Billing Program providing coverage to students of an accredited school of pharmacy at a discounted group rate.

To qualify for the College Student Group Billing Program:

- a. a minimum of 35 Individual Pharmacist Professional Liability Insurance Policies must be issued to undergraduate pharmacy students within the accredited school of pharmacy; and
- b. all Individual Pharmacist Professional Liability Insurance Policies are issued with a common anniversary date; and
- c. the school agrees to:
 - 1) provide a completed enrollment form for all undergraduate pharmacy students requesting coverage; and
 - 2) remit the insurance premium for each undergraduate pharmacy student to Company upon receipt of the Group Bill.

The College Student Group Billing Program is not available to a licensed pharmacist who is attending a school of pharmacy.

IV. Term of Policy

An Individual Pharmacist Professional Liability Insurance Policy can be written for a term not to exceed one year. The Policy may be continued for successive terms by payment of the required premiums.

V. Limits of Liability

Coverage	Per Occurrence	Aggregate
Professional Liability	\$1,000,000	\$3,000,000
Limited Pharmacist's License		
Defense Reimbursement	\$ 10,000	\$ 10,000
Certified CPR	\$ 50,000	\$ 50,000

VI. Minimum Premium

The Individual Pharmacist Professional Liability Insurance Policy is subject to a minimum premium, regardless of the policy term. The minimum premium is not subject to reduction in the event of cancellation.

Individual Pharmacist Professional Liability Insurance Policy	\$ 25.00
College Student Group Billing Program	\$ 16.00

NOTE: The \$25.00 minimum premium does not apply when the policy term is changed to coordinate with the renewal date of another Pharmacists Mutual Insurance policy.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY PROGRAM MANUAL
COUNTRYWIDE

VII. Cancellation

The Individual Pharmacist Professional Liability Insurance Policy, canceled by either the insured or the company, must be canceled in accordance with the terms of the cancellation provisions that apply. The return premium, if any, is computed on a pro rata basis, subject to the minimum premium.

VIII. Rating Classifications

To be eligible for a rating classification, the applicant must meet the qualifications for the Classification.

A volunteer pharmacist working without pay does not affect the Rating Classification.

1 - Employed Pharmacist

- a. provides pharmacy services for a pharmacy operation;
- b. receives an IRS Form W-2 Wage and Tax Statement for wages earned;
- c. is not an owner or partner of a pharmacy or pharmacy-related business;
- d. works less than 10 hours per week as a self-employed pharmacist; and
- e. may work as a volunteer pharmacist without pay.

Refer to Self-employed Pharmacist classification for an Employed Pharmacist who works 10 hours or more per week as a self-employed pharmacist.

2 - Self-employed Pharmacist - includes relief (independent contractor) or consultant RPh

- a. provides pharmacy services for a pharmacy operation;
- b. receives an IRS Form 1099-MISC for pharmacy services provided; and
- c. is not an owner or partner of a pharmacy or pharmacy-related business other than a sole-proprietor of a relief (independent contractor) or consultant pharmacist business.

3 - Owner or Partner

- a. provides pharmacy services for a pharmacy operation; and
- b. is also an owner or partner of a pharmacy or pharmacy-related business other than a sole-proprietor of a relief (independent contractor) or consultant pharmacist business.

4 - Instructor

- a. works as an instructor at an accredited school of pharmacy or pharmacy educational facility; and
- b. works less than 10 hours per week outside the classroom as an employed or self-employed pharmacist.

Refer to Employed Pharmacist or Self-employed Pharmacist classification for an Instructor who works 10 hours or more per week outside the classroom.

5 - Pharmacy Student or Intern

- a. a non-licensed pharmacist working on a pharmacy degree; or
- b. a graduate from a school of pharmacy who has not yet received a pharmacy license.

Refer to Employed Pharmacist or Self-employed Pharmacist classification for a licensed pharmacist who is attending a school of pharmacy for an advanced pharmacy degree.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY PROGRAM MANUAL
COUNTRYWIDE

IX. ANNUAL PREMIUMS

Rating Classifications	Premium	
	Excluding Sterile Compounding	No Exclusions
Employed Pharmacist	\$139	\$299
First year graduate discount	50%	50%
Self-employed Pharmacist	\$360	\$500
First year graduate discount	50%	50%
Owner or Partner		
Business Insurance provided by PhMIC	\$139	\$299
First year graduate discount	50%	50%
Instructor	\$70	\$160
Pharmacy Student or Intern		
Individual Billing	not applicable	\$35
College Student Group Billing	not applicable	\$18

A first year graduate discount applies in the year following graduation. This is a one-time discount available to the following Rating Classifications: Employed Pharmacist, Self-employed Pharmacist, and Owner or Partner.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY ~~INSURANCE POLICY~~ PROGRAM [MANUAL](#)
[COUNTRYWIDE](#)

I. Program Description

[1.1 Policy Coverage](#)

- [a.](#) The Individual Pharmacist Professional Liability Insurance Policy provides coverage on an excess basis for damages which an insured is legally obligated to pay because of an occurrence. The occurrence must result in bodily injury, property damage, or personal and advertising injury arising out of the rendering or failure to render pharmacy services.

~~The following are also included in the Individual Pharmacist Professional Liability Insurance Policy:~~

- [b.](#) ~~a-~~Limited Pharmacist's License Defense Reimbursement provides reimbursement for legal fees incurred, arising out of an insured's rendering or failure to render pharmacy services. Reimbursement is subject to the conditions as set forth in the policy and applies in excess of a \$500 deductible per incident; and
- [c.](#) ~~b-~~Certified [Cardio-Pulmonary Resuscitation \(CPR\)](#) Coverage provides coverage on an excess basis for damages which an insured becomes legally obligated to pay due to bodily injury or property damage arising out of performing ~~cardio-pulmonary resuscitation (CPR)~~, but only if certified ~~for to~~ [administer](#) CPR.

[1.2 Policy Forms](#)

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PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY ~~INSURANCE POLICY~~ PROGRAM [MANUAL](#)
[COUNTRYWIDE](#)

- b. all Individual Pharmacist Professional Liability Insurance Policies are issued with a common anniversary date; and
- c. the school agrees to:
 - 1) provide a completed enrollment form for all undergraduate pharmacy students requesting coverage; and
 - 2) remit the insurance premium for each undergraduate pharmacy student to Company upon receipt of the Group Bill.

The College Student Group Billing Program is not available to a licensed pharmacist who is attending a school of pharmacy.

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An Individual Pharmacist Professional Liability Insurance Policy can be written for a term not to exceed one year. The Policy may be continued for successive terms by payment of the required premiums.

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<u>Coverage</u>	<u>Per Occurrence</u>	<u>Aggregate</u>
Professional Liability	\$1,000,000	\$3,000,000
Limited Pharmacist's License		
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Certified CPR	\$ 50,000	\$ 50,000

VI. Minimum Premium

The Individual Pharmacist Professional Liability Insurance Policy is subject to a minimum premium, regardless of the policy term. The minimum premium is not subject to reduction in the event of cancellation.

Individual Pharmacist Professional Liability Insurance Policy	\$ 25.00
College Student Group Billing Program	\$ 16.00

NOTE: The \$25.00 minimum premium does not apply when the policy term is changed to coordinate with the renewal date of another Pharmacists Mutual Insurance policy.

VII. Cancellation

The Individual Pharmacist Professional Liability Insurance Policy, canceled by either the insured or the company, must be canceled in accordance with the terms of the cancellation provisions that apply. The return premium, if any, is computed on a pro rata basis, subject to the minimum premium.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY ~~INSURANCE POLICY~~ PROGRAM [MANUAL](#)
[COUNTRYWIDE](#)

VIII. Rating Classifications

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A volunteer pharmacist working without pay does not affect the Rating Classification.

1 - Employed Pharmacist

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- b. receives an IRS Form W-2 Wage and Tax Statement for wages earned;
- c. is not an owner or partner of a pharmacy or pharmacy-related business;
- d. works less than 10 hours per week as a self-employed pharmacist; and
- e. may work as a volunteer pharmacist without pay.

Refer to Self-employed Pharmacist classification for an Employed Pharmacist who works 10 hours or more per week as a self-employed pharmacist.

2 - Self-employed Pharmacist - includes relief (independent contractor) or consultant RPh

- a. provides pharmacy services for a pharmacy operation;
- b. receives an IRS Form 1099-MISC for pharmacy services provided; and
- c. is not an owner or partner of a pharmacy or pharmacy-related business other than a sole-proprietor of a relief (independent contractor) or consultant pharmacist business.

3 - Owner or Partner

- a. provides pharmacy services for a pharmacy operation; and
- b. is also an owner or partner of a pharmacy or pharmacy-related business other than a sole-proprietor of a relief (independent contractor) or consultant pharmacist business.

4 - Instructor

- a. works as an instructor at an accredited school of pharmacy or pharmacy educational facility; and
- b. works less than 10 hours per week outside the classroom as an employed or self-employed pharmacist.

Refer to Employed Pharmacist or Self-employed Pharmacist classification for an Instructor who works 10 hours or more per week outside the classroom.

5 - Pharmacy Student or Intern

- a. a non-licensed pharmacist working on a pharmacy degree; or
- b. a graduate from a school of pharmacy who has not yet received a pharmacy license.

Refer to Employed Pharmacist or Self-employed Pharmacist classification for a licensed pharmacist who is attending a school of pharmacy for an advanced pharmacy degree.

PHARMACISTS MUTUAL INSURANCE COMPANY
INDIVIDUAL PHARMACIST PROFESSIONAL LIABILITY ~~INSURANCE POLICY~~ PROGRAM [MANUAL](#)
[COUNTRYWIDE](#)

IX. ANNUAL PREMIUMS

Rating Classifications	Premium
1 — Employed Pharmacist	\$ 144.00
 First year graduate discount	50%
2 — Self-employed Pharmacist	\$ 375.00
 First year graduate discount	50%
3 — Owner or Partner	
 Business Insurance provided by PhMIC	\$ 144.00
 First year graduate discount	50%
4 — Instructor	\$75.00
5 — Pharmacy Student or Intern	
 Individual Billing	\$32.00
 College Student Group Billing	\$16.00

Rating Classifications	Premium	
	<u>Excluding Sterile Compounding</u>	<u>No Exclusions</u>
<u>Employed Pharmacist</u>	\$139	\$299
First year graduate discount	50%	50%
<u>Self-employed Pharmacist</u>	\$360	\$500
First year graduate discount	50%	50%
<u>Owner or Partner</u>		
Business Insurance provided by PhMIC	\$139	\$299
First year graduate discount	50%	50%
<u>Instructor</u>	\$70	\$160
<u>Pharmacy Student or Intern</u>		
Individual Billing	not applicable	\$35
College Student Group Billing	not applicable	\$18

A first year graduate discount applies in the year following graduation. This is a one-time discount available to the following Rating Classifications: Employed Pharmacist, Self-employed Pharmacist, and Owner or Partner.

ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 8/1/13 New Business & 10/1/13 Renewal Business

(1) <u>Coverage</u>	(2) <u>Annual Premium Volume (Illinois)*</u>	(3) <u>Percent Change (+ or -)**</u>
1. Automobile Liability Private Passenger Commercial		
2. Automobile Physical Damage Private Passenger Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Med -Mal</u>	31818	-3.3
Line of Insurance		

Does filing only apply to certain territory (territories) or certain classes? If so, specify: NO

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): _____

Please see Filing Memorandum

*Adjusted to reflect all prior rate changes.

**Change in Company's premium level which will result from application of new rates.

Pharmacists Mutual Insurance Company

Name of Company

Rich M. Berke - Regional Vice President

Official – Title